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**Rules, Regulations, Orders**

**TITLE 7—AGRICULTURE  
AGRICULTURAL ADJUSTMENT  
ADMINISTRATION**

**PART 701—1939 AGRICULTURAL CONSERVATION PROGRAM BULLETIN**

**SECTION 701.1 (B)—ORDER DECREASING THE RATES OF PAYMENT AND DEDUCTIONS WITH RESPECT TO CERTAIN COMMODITIES**

Whereas under the 1939 Agricultural Conservation Program the existing rates of payment and deductions were based upon estimates of available funds and estimates of participation by farmers, and are subject to decrease or increase by not more than 10 percent, depending upon the extent of participation;

Whereas farmers participating in said program have largely completed the farming practices in connection with which payments may be made thereunder; and

Whereas on the basis of the facts shown by farmers who have stated their intentions to participate in the 1939 Agricultural Conservation Program and the facts which it is believed will be shown by applications for payment to be submitted hereafter in said program, it reasonably appears that participation by farmers with respect to cotton, general soil-depleting crops in Area A, rice, and fire-cured and dark air-cured tobacco will exceed the original estimates of participation with respect to these crops by more than 10 percent:

Now, therefore, I, H. A. Wallace, Secretary of Agriculture, pursuant to the authority vested in the Secretary of Agriculture under Sections 7 to 17 of the Soil Conservation and Domestic Allotment Act, as amended, do hereby order that said existing rates of payments and deductions with respect to cotton, general soil-depleting crops in Area A, rice, and fire-cured and dark air-cured tobacco be, and the same hereby are, decreased 10 percent.

Done at Washington, D. C., this 18th day of August 1939. Witness my hand

<sup>1</sup>3 FR. 2715 DI.

and the seal of the Department of Agriculture.

[SEAL]

H. A. WALLACE,  
Secretary of Agriculture.

[F. R. Doc. 39-3114; Filed, August 23, 1939; 12:38 p. m.]

**TITLE 14—CIVIL AVIATION**

**CIVIL AERONAUTICS AUTHORITY**

[Amendment 24, Civil Air Regulations]

**FLYING SCHOOLS; PRIVATE PILOT FLYING COURSE AND GROUND INSTRUCTORS**

At a session of the Civil Aeronautics Authority held at its office in Washington, D. C., on the 22nd day of August 1939.

Acting pursuant to the authority vested in it by the Civil Aeronautics Act of 1938, particularly sections 205 (a), 601 (a) and 607 of said Act, and finding that its action is desirable in the public interest and is necessary to carry out the provisions of, and to exercise and perform its powers and duties under said Act, the Civil Aeronautics Authority hereby amends the Civil Air Regulations as follows:

Effective September 21, 1939, Part 50, as amended, of the Civil Air Regulations is amended as follows:

1. Section 50.1041 is amended to read as follows:

"§ 50.1041 (b) *Private pilot flying course.* The course shall be arranged so as to give each student a minimum of 17 hours dual or check time and 18 hours solo time. At least 2 hours of such solo time shall consist of cross-country flying which shall include at least one flight over a course of not less than 50 miles with at least 2 full stop landings at different points on the course."

2. Section 50.105 is amended to read as follows:

"§ 50.105 *Ground instructors.* Applicant shall show that each person giving, or employed to give, ground instruction for the school, in any ground school subject required by the Civil Air Regula-

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tions, is possessed of a valid and appropriate ground instructor certificate."

By the Authority.

[SEAL]

PAUL J. FRIZZELL,  
Secretary.

[F. R. Doc. 39-3111; Filed, August 23, 1939; 11:21 a. m.]





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## TITLE 26—INTERNAL REVENUE BUREAU OF INTERNAL REVENUE [T. D. 4925]

### EXCISE TAXES ON SALES BY THE MANUFACTURER

#### To Collectors of Internal Revenue and Others Concerned:

Section 1 of the Revenue Act of 1939, approved June 29, 1939, reads in part as follows:

SEC. 1. CONTINUATION OF EXCISE TAXES \* \* \*. Sections \* \* \* 3452, \* \* \* of the Internal Revenue Code are amended by striking out "1939" wherever appearing therein and inserting in lieu thereof "1941". \* \* \*

Section 2 of the Revenue Act of 1939, approved June 29, 1939, reads as follows:

#### SEC. 2. SPORTING ARMS AND AMMUNITION TAX.

Section 3407 of the Internal Revenue Code (relating to the tax on firearms, shells, and cartridges) is amended by adding at the end thereof the following new paragraph: "The provisions of section 3452 (relating to expiration of taxes) shall not apply to the tax imposed by this section."

In conformity with the provisions of law quoted above, the second paragraph of article 1 of Regulation 46, as amended (section 303.1, Title 26, Code of Federal Regulations), but only as prescribed and made applicable to the Internal Revenue Code by Treasury Decision 4885, approved February 11, 1939<sup>1</sup> (Part 465, Subpart B of such Title 26), under authority contained in section 3450 of the Internal Revenue Code, is further amended to read as follows:

"No such sale, lease, or use after June 30, 1941 (or after July 31, 1941, in the case of articles taxable under sections

3400 and 3403 of the Internal Revenue Code (same as sections 602 and 606 of the Revenue Act of 1932, as amended), relating to the tax on tires and inner tubes and automobiles, etc.), is taxable under the title except that with respect to firearms, shells, and cartridges taxable under section 3407 of the Internal Revenue Code (same as section 610 of the Revenue Act of 1932), the limitation does not apply."

(This Treasury Decision is prescribed pursuant to section 3452 of the Internal Revenue Code (53 Stat., Part 1), as amended by section 1 of the Revenue Act of 1939 (Public, No. 155, 76th Cong., 1st sess.) and section 3450 of the Internal Revenue Code.)

[SEAL] GUY T. HELVERING,  
Commissioner of Internal Revenue.  
Approved, August 21, 1939.

JOHN W. HANES,  
Acting Secretary of the Treasury.

[F. R. Doc. 39-3109; Filed, August 23, 1939;  
11:13 a. m.]

[T. D. 4926]

### SHIPMENT OF WINE, FREE OF TAX, TO GUAM AND AMERICAN SAMOA

#### To District Supervisors and Others Concerned:

Section 408 of the Revenue Act of 1939 (Public, No. 155, 76th Congress) provides as follows:

Section 3361 (b) of the Internal Revenue Code is amended by adding a comma and the words "Guam" and "American Samoa" after the words "Puerto Rico."

Pursuant to authority conferred by Section 3791 (a) (1) of the Internal Revenue Code, Paragraph 143, Article XXVII, Regulations No. 7, approved October 6, 1937<sup>1</sup> (Section 178.143 of the Code of Federal Regulations), is amended to read as follows:

PAR. 143. Shipments to American possessions. The provisions of these regulations, and the forms prescribed, in respect to the removal of wines, free of tax for exportation to foreign countries, apply to like removals and shipments to the Philippine Islands, Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Panama Canal Zone. Hawaii and Alaska are Territories of the United States, and all shipments of domestic wines thereto must be tax-paid before withdrawal from bonded wineries or other bonded premises, unless transferred in bond to a bonded winery or storeroom located in one of those Territories.

[SEAL] GUY T. HELVERING,  
Commissioner of Internal Revenue.  
Approved: August 21, 1939.

JOHN W. HANES,  
Acting Secretary of the Treasury.

[F. R. Doc. 39-3110; Filed, August 23, 1939;  
11:13 a. m.]

<sup>1</sup> 2 F.R. 2131.

## TITLE 45—PUBLIC WELFARE NATIONAL YOUTH ADMINISTRATION

[Administrative Order No. 4]

### REVISION OF REGULATIONS RELATING TO THE PART-TIME EMPLOYMENT OF OUT- OF-SCHOOL YOUTH ON PROJECTS OF THE NATIONAL YOUTH ADMINISTRATION

By virtue of and pursuant to the authority vested in me by the Emergency Relief Appropriation Act of 1939, approved June 30, 1939, I hereby amend Section 402.13 of Administrative Order No. 2, dated July 13, 1939,<sup>1</sup> to read as follows:

§ 402.13 Resident project employees. The several State Youth Administrators are authorized and directed to establish monthly earnings for youth employees assigned to resident projects, subject to the following conditions:

(a) Except for such projects or portions of projects as the National Youth Administrator, or his authorized representative, may hereafter exempt, the earnings rate of youth employees shall not exceed thirty dollars (\$30) per pay roll month for full-time resident projects or twenty dollars (\$20) per pay roll month for part-time resident projects, with an appropriate charge for lodging, food, sanitation, water and bathing facilities, and medical and dental care.

(b) The net payment scheduled for youth employees shall be not less than eight dollars (\$8) per pay roll month, after deductions for subsistence and lodging are made at the end of the pay roll month.

(c) Not more than two wage classes shall be established for youth employees on any single resident project.

For youth employees assigned to full-time resident projects, deductions for voluntary absence from duty shall be made in the amount of one-thirtieth of the monthly salary for each day of voluntary absence. For youth employees assigned to part-time resident projects, deductions for voluntary absence from duty shall be made on the basis of the ratio which the number of days of voluntary absence bears to the total number of days of assignment during the pay roll month. State Youth Administrators, or their authorized representatives, shall schedule hours of work for youth employees on resident projects. Deductions for voluntary absence from duty shall be made only when youth employees are voluntarily absent during periods when they are scheduled to work. Deductions for voluntary absence from duty for a portion of a day's scheduled work period shall be made in an amount equal to one-fourth the deduction, or multiple thereof, made for absence during a full day's scheduled work period. On both full-time and part-time resident proj-

<sup>1</sup> 4 F.R. 3507 DI.

<sup>1</sup> 4 F.R. 879 DI.



ects, Sundays and other intervening non-work days shall not be counted in determining deductions to be made for voluntary absence.

AUBREY WILLIAMS,  
Administrator.

AUGUST 16, 1939.

[F. R. Doc. 39-3107; Filed, August 23, 1939;  
9:44 a. m.]

# TITLE 47—TELECOMMUNICATION FEDERAL COMMUNICATIONS COMMISSION

## PARALLEL REFERENCE TABLE TO RULES OF THE FEDERAL COMMUNICATIONS COM- MISSION

### Corrections

Attention is directed to errors under Part 43—Rules Governing the Filing of Information, Contracts, Periodic Reports, etc., appearing on page 3526 of the August 4, 1939 issue of the FEDERAL REGISTER, which have been corrected to read as follows:

§ 43.31 Formerly I.C.C. Order dated April 10, 1916, relating to telegraph and cable companies; I.C.C. Order of Dec. 9, 1932, relating to telephone companies, and Telephone Division Order No. 15.

§ 43.51 Formerly Telegraph Division Order No. 8.

§ 43.52 Formerly embodied in Telegraph Division Orders Nos. 4 and 8.

By the Commission.

[SEAL]

T. J. SLOWIE,  
Secretary.

[F. R. Doc. 39-3112; Filed, August 23, 1939;  
12:10 p. m.]

### Notices

## DEPARTMENT OF LABOR.

### Wage and Hour Division.

#### NOTICE OF OPPORTUNITY TO PETITION FOR REVIEW OF DETERMINATION UPON AP- PLICATIONS FOR PERMISSION TO EMPLOY LEARNERS IN THE HOSIERY INDUSTRY AT WAGES LOWER THAN APPLICABLE MINIMUM SPECIFIED IN SECTION 6 OF THE FAIR LABOR STANDARDS ACT

Whereas, The National Association of Hosiery Manufacturers, The Southern Hosiery Manufacturers' Association, and sundry other parties pursuant to Part 522<sup>1</sup> (Regulations applicable to the Employment of Learners pursuant to Section 14 of the Fair Labor Standards Act) made application for permission to employ learners in the hosiery industry at wages lower than the applicable minimum wage specified in Section 6 of the Act; and

Whereas, a hearing<sup>2</sup> on said application was held before Merle D. Vincent

the representative of the Administrator of the Wage and Hour Division, duly authorized to conduct the said hearing and to determine—

(a) what, if any, occupation or occupations in the hosiery industry, or branch thereof, require a learning period, and

(b) the factors which may have a bearing upon curtailment of opportunities for employment within the hosiery industry, or branch thereof, and

(c) under what limitations as to wages, time, number, proportion, and length of service special certificates may be issued to employers in the hosiery industry, or branch thereof, for whatever occupation or occupations, if any, are found to require a learning period; and

Whereas, following such hearing the said Merle D. Vincent duly made his findings of fact and determined as follows:

"Upon the whole record of evidence, a summary and review of which appears above, I make the following determination:

"That it is necessary, in order to prevent curtailment of opportunities for employment, to issue to employers in the hosiery industry, upon individual applications, Special Certificates for the employment of learners at sub-minimum rates, in certain specific occupations and subject to the terms herein set forth, except where experienced workers are available for such employment. In no case shall the employment of learners under Special Certificates be authorized where experienced workers are available for employment by the plant making application. A periodic review of the availability of experienced workers will be made and Special Certificates suspended or revoked where an adequate supply of experienced workers is indicated.

"All Special Certificates granted shall be subject to the following terms:

"1. *Definition of learner.* (a) A learner is a worker who has had (1) less than 480 hours of experience in the aggregate in the following occupations:

#### SEAMLESS BRANCH

Knitting (except transfer top Knitting).

Seaming.

Topping.

Boarding.

Pairing.

Folding.

Examining and Inspecting.

Mending.

Welting.

Trimming and End Pulling.

Embroidering.

Hemming and Mock-seaming.

Cuff Sewing.

Monogramming.

#### FULL-FASHIONED BRANCH

Boarding.

Pairing.

Folding.

Examining and Inspecting.

Mending.

or (2) less than 960 hours of experience in any one of the following occupations:

#### SEAMLESS BRANCH

Knitting (Transfer top knitting only).  
Looping.

#### FULL-FASHIONED BRANCH

Knitting.

Looping.

Seaming.

Topping.

"(b) *Provided*, That he has had no previous experience in a particular occupation for which a learning period of 960 hours is allowed, a learner may serve one retraining period of 480 hours in such occupations: *Provided, however*, That a learner may be retrained only once at sub-minimum rates.

"2. *Learners' Rates.* (a) In the occupations providing a learning period of 480 hours, learners employed on a piece-rate basis shall be paid not less than 22½¢ an hour in the seamless branch and not less than 25¢ an hour in the full-fashioned branch.

"(b) In the occupations providing a learning period of 960 hours, learners employed on a piece-rate basis in the seamless branch shall be paid not less than 22½¢ for the first 480 hours and not less than 27½¢ for the second 480 hours, and in the full-fashioned branch not less than 25¢ for the first 480 hours and not less than 30¢ for the second 480 hours.

"(c) A worker employed on a piece-rate basis who is being retrained in accordance with 1 (b) above shall be paid not less than 25¢ an hour in the seamless branch and not less than 30¢ an hour in the full-fashioned.

"(d) If experienced operators are paid on a piece work rate, learners shall be paid at least the same piece work rate as that paid workers already employed on similar work in the establishment; learners shall receive full piece work earnings whenever these exceed the applicable minimum hourly wage.

"(e) Where piece rates are not in effect, the minimum hourly learner wage for occupations limited to a 480 hour learning period and for the first 480 hours for the occupations permitting a 960 hour learning period shall be not less than 22½¢ for the seamless branch and not less than 25¢ for the full-fashioned; and for the second 480 hours for the occupations permitting a 960 hour learning period the minimum hourly learner wage where piece rates are not in effect shall be not less than 29¢ for the seamless branch and not less than 35¢ for the full-fashioned.

"(f) Where piece rates are not in effect, a worker being retrained in accordance with 1 (b) above shall be paid not less than 29¢ an hour in the

<sup>1</sup> 3 F.R. 2661 DI.

<sup>2</sup> 4 F.R. 2199 DI.



seamless branch and not less than 35¢ an hour in the full-fashioned branch.

"3. *Number of learners.* (a) Except as otherwise provided in this Section, no learners' certificate shall authorize the employment of learners in excess of 5% of the total number of factory workers (not including office and sales personnel) employed in the plant; provided, however, that employment of as many as five learners may be authorized in any certificate.

"(b) The number of learners to be employed under any Special Certificate authorizing the employment of learners in new plants or for extensive expansion shall be limited to the number of learners whose employment at sub-minimum rates is shown necessary by the employer to prevent curtailment of opportunities for employment under Section 14 of the Act.

"4. *Duration of certificates.* Special Learner Certificates authorizing the employment of learners not in excess of 5% of total factory employees and certificates authorizing not more than five learners shall be valid for a period of one year unless sooner revoked because an adequate supply of experienced workers are available or for other cause, or unless the wages set by the Administrator's Wage Order are changed. Special Certificates authorizing the employment of learners in excess of 5% shall be valid for a period not exceeding eight months unless sooner revoked for cause or unless the wages set by the Administrator's Wage Order are changed.

"5. *Learners' certificates.* All Special Certificates shall include, among other matters, the learner occupations, periods of service and rates set forth hereinabove; the definition of a learner; the requirement that the employer shall exercise due diligence to secure experienced workers before employing inexperienced workers at learner rates in their stead; the requirement that the certificate shall be posted continuously during its validity in a conspicuous place in the plant where the learners are to be employed; and a prohibition against the violation of any of the terms and conditions set forth in the certificate."

Whereas said Findings and Determination were duly filed with the Administrator on August 21, 1939, and are now on file in his office, Room 5144, Department of Labor Building, Washington, D. C., and available for examination by all interested parties:

Now, therefore, pursuant to the provision of Section 522.13 of the aforesaid regulations, as amended, notice is hereby given that any person aggrieved by the said determination may within fifteen days after the date this notice appears in the FEDERAL REGISTER file petitions with the Administrator requesting that he review the determination of the said representative.

Signed at Washington, D. C., this 22 day of August 1939.

ELMER F. ANDREWS,  
Administrator.

[F. R. Doc. 39-3108; Filed, August 23, 1939; 10:48 a. m.]

## SECURITIES AND EXCHANGE COMMISSION.

*United States of America—Before the Securities and Exchange Commission*

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 23rd day of August, A. D. 1939.

[File Nos. 37-31, 37-44]

IN THE MATTER OF EBASCO SERVICES INCORPORATED AND PHOENIX ENGINEERING CORPORATION; AND EBASCO SERVICES INCORPORATED AND EBASCO INTERNATIONAL CORPORATION

### NOTICE OF AND ORDER FOR HEARING

A declaration and applications pursuant to Rules U-13-22 and U-13-4 promulgated under the Public Utility Holding Company Act of 1935, having been duly filed with this Commission by the above-named parties;

*It is ordered,* That these matters be consolidated for the purpose of hearing and that a hearing on such consolidated matter be held on September 18, 1939, at 10:00 o'clock in the forenoon of that day, at the Securities and Exchange Building, 1778 Pennsylvania Avenue NW., Washington, D. C. On such day the hearing-room clerk in room 1102 will advise as to the room where such hearing will be held. At such hearing, if in respect of any declaration, cause shall be shown why such declaration shall become effective.

*It is further ordered,* That Richard Townsend or any other officer or officers of the Commission designated by it for that purpose shall preside at the hearings in such matter. The officer so designated to preside at any such hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of said Act and to a trial examiner under the Commission's Rules of Practice to continue or postpone said hearing from time to time.

Notice of such hearing is hereby given to such declarant or applicant and to any other person whose participation in such proceeding may be in the public interest or for the protection of investors or consumers. It is requested that any person desiring to be heard or to be admitted as a party to such proceeding shall file a notice to that effect with the Commission on or before September 13, 1939.

The matter concerned herewith is in regard to a declaration (File No. 37-31)

of Ebasco Services Incorporated, a subsidiary of Electric Bond and Share Company, a registered holding company, on behalf of itself and its wholly-owned subsidiary, Phoenix Engineering Corporation, pursuant to Rule U-13-22 under the Act, with respect to the organization and conduct of its business as a subsidiary service company. Neither Ebasco Services Incorporated nor its wholly-owned subsidiary, Phoenix Engineering Corporation, is a mutual company. All of the outstanding capital stock of Ebasco Services Incorporated is held by Electric Bond and Share Company and all of the outstanding capital stock of Phoenix Engineering Corporation is held by Ebasco Services Incorporated.

Ebasco Services Incorporated is now segregated into two divisions, *i. e.*, the United States Division and the International Division. It is stated that the purpose of this segregation was to enable Ebasco Services Incorporated to determine the cost of rendering such services to those client companies located and operating respectively within and without the United States. In order that these costs might be properly recorded, separate sets of books are kept to segregate and record the transactions and costs of each division. Each division includes, as part of its cost, a proportion of certain salaries chargeable thereto and the proportion of overhead applicable thereto, together with all general overheads. There also is included, as a part of the cost of each division, depreciation and a reserve for contingencies and, for the United States Division, a 6% return on working capital.

The Phoenix Engineering Corporation is stated to be, in effect, the incorporated construction and special engineering department of Ebasco Services Incorporated. It performs designated construction and engineering services. These services are performed at cost to United States client companies.

Ebasco Services Incorporated, through its International Division, Empresas Electricas Brasileiras, S. A. and Phoenix Engineering Corporation (both wholly-owned subsidiaries of Ebasco Services Incorporated) and Compania Constructora del Pacifico (a wholly-owned subsidiary of Phoenix Engineering Corporation) performed services for client companies outside the United States at prices not limited to cost.

In anticipation of a proposed reorganization (applications and declaration in connection therewith having been filed in a separate proceeding and which have not yet been acted on by the Commission, File No. 47-36) whereby the properties and assets of Ebasco Services Incorporated used in connection with its foreign business will be transferred to Ebasco International Corporation, a New York corporation, in consideration for the issuance by Ebasco International Corporation of 7,000 shares of its capi-



tal stock of the par value of \$100 each, such capital stock immediately to be transferred to Electric Bond and Share Company in consideration for the surrender by the latter company to Ebasco Services Incorporated, for cancellation, of 7,000 shares of the capital stock of Ebasco Services Incorporated of the par value of \$100 each, and the dissolution of Phoenix Engineering Corporation and the transfer of its property and assets to Ebasco Services Incorporated. Ebasco Services Incorporated has filed an amendment to its declaration pursuant to Rule U-13-22, on behalf of itself and its wholly-owned subsidiary, Phoenix Engineering Corporation, wherein it seeks approval of its business as a subsidiary service company as it will be upon the consummation of the proposed reorganization. If the aforementioned contemplated reorganization is effected, Ebasco Services Incorporated will perform services and construction at cost to public utility and other companies operating in the United States. Ebasco Services Incorporated may also render incidental services at cost to Ebasco International Corporation. It is contemplated that Ebasco Services Incorporated may perform services or constructions for persons in the United States with

whom transactions at prices not limited to cost are permitted under Rule U-13-31 under the Act.

The application of Ebasco Services Incorporated and the application of Ebasco International Corporation (File No. 37-44) pursuant to Rule U-13-4 promulgated under the Public Utility Holding Company Act of 1935 are both for exemption from the standards established by Section 13 (b) of said Act and the rules and regulations promulgated thereunder relating to the performance of services, sales and construction contracts for foreign associate companies.

Ebasco International Corporation, all of whose outstanding capital stock is now owned by Ebasco Services Incorporated but whose capital stock will, in the event the aforementioned reorganization becomes effective, be owned by Electric Bond and Share Company, plans to engage in the business of performing technical, supervisory and other services for public utility and other client companies operating in thirteen foreign countries. It does not propose to render services to holding or other companies doing business in the United States, its sole prospective clients being public utility and other companies operating in foreign countries. Through its prospective sub-

sidary, Empresas Electricas Brasileiras, S. A., applicant will render services to certain client countries in Brazil, and through its prospective subsidiary, Compania Constructora del Pacifico, applicant plans to perform construction and other engineering services for client companies operating in Chile. Applicant does not propose to carry on any of its business within the United States. All of the companies to which applicant will render services are subsidiaries of American & Foreign Power Company Incorporated, except Compania de Servicios Publicos de Cartagena, a public utility company operating in Colombia which is not an associate or affiliate of American & Foreign Power Company Incorporated. (American & Foreign Power Company Incorporated has filed an application on behalf of itself and such subsidiaries pursuant to Section 3 (b) of the Act for exemption from all provisions of the Act applicable to it and its subsidiaries as subsidiaries of Electric Bond and Share Company.)

By the Commission.

[SEAL]

FRANCIS P. BRASSOR,  
Secretary.

[F. R. Doc. 39-3113; Filed, August 23, 1939; 12:18 p. m.]

